

SENATE BILL 3797
By Fowler

AN ACT to amend Tennessee Code Annotated, Title 33;
Title 56 and Title 71, Chapter 5, Part 1, relative to
denial of and payment of claims.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Code Annotated, Title 71, Chapter 5, Part 1, is amended by inserting the
following as a new, appropriately designated section thereto:

Section 71-5-1__.

(a) By no later than January 1, 2007, the commissioner of finance and insurance shall develop a uniform standard for the denial of and payment of claims for specialized equipment for the developmentally disabled, including both appropriate grounds for denial of a claim and a time frame within which payment of a claim must be accomplished, and shall provide for the managed care organizations and behavioral health organizations in each region of the state detailed written notice of the standard. The commissioner shall monitor managed care organization and behavioral health organization compliance with such standard.

(b) Any managed care organization or behavioral health organization that fails to comply with the uniform standard developed pursuant to this subsection shall be subject to the penalties set forth in §56-32-216 or, in the alternative, §56-32-220.

(c) If the provisions of this section conflict with the provisions of any applicable federal waiver concerning medical assistance services delivered pursuant to chapter 5, part 1 of this title, then the commissioner is directed to seek an appropriate modification or amendment to such waiver to permit the implementation of this section.

(d) The provisions of this section shall be construed so as to be consistent with the terms of any applicable federal waiver for the provision of medical assistance.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.